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CONFIDENTIAL

MEMORANDUM OF CONVERSATION

Benghazi, July 17, 1958.

SUBJECT: U.S. Economic Aid Program in Libya - MSP-58

PARTICIPANTS: His Excellency Wahbi al-Buri,
Minister of Foreign Affairs;

J. Wesley Jones,
American Ambassador.

PLACE: The Foreign Ministry, Benghazi,
July 16, 1958, 6:30 p.m.

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By G M Razi 5/6/82

When I called on the Foreign Minister last evening, he raised, among other matters, the implementation of our economic aid program. He complained about the unresponsive attitude of LARC to the wishes of the Libyan Government in the economic development field. He said that the Libyan Government had promised its people that with American aid many specific projects would be undertaken, but that on most of these there was nothing but endless talk and discussion which went along year after year. He mentioned specifically the Benghazi Harbor, the Fezzan road and the cold storage plant for Benghazi. These were all projects to which, once completed, the Government could point with pride. When attacked in Parliament it could defend its close relationship with the United States by concrete examples of major public works. Finally, with respect to the Foreign Ministry itself, Wahbi al-Buri complained that he had once asked Mr. Gordon to send four or five of his young Libyan Foreign Service Officers to the United States for a period of training, but that, after initial favorable response, nothing further had been heard. (Mr. Gordon subsequently informed me that he had responded promptly, and had advised the Foreign Minister to apply to the Scholarship Board which controls USOM scholarships and of which the Libyan Minister of Education is the Chairman). I told the Minister that I had good hope that some progress could be made on the Benghazi Harbor through the Development Loan Fund; that I had had a meeting that morning with some of the senior officials of USOM to discuss this year's program, and that I was meeting again with them the next morning. I said that we had discussed the project of the Benghazi Harbor and that I

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that I felt hopeful we could reach agreement on the beginning of some acceptable project. I added that perhaps too ambitious a project had been envisioned in the first place; that we might find that a project of more modest dimensions would respond to Benghazi's needs for the next several years equally as well.

With respect to the Fezzan road, I said that here again I felt that the Libyan plan for this project was unnecessarily grandiose; that I had been over the Fezzan road myself. and knew that there were many physical and geological elements already present which would permit the preparation of a good hard-surfaced road without necessarily having to blacktop the road all the way from Misurata to Sebha. I felt sure that, here again, with a somewhat more modest but satisfactory highway plan, we could come to an agreement. Finally, with respect to the cold storage plant, I said that I was not well informed of its present planning stage, but I understood that there were current negotiations with a Greek firm which I hoped might evolve successfully.

Buri told me that he had seen the Prime Minister just after my call yesterday afternoon. Ku'bar seemed discouraged, according to Buri, and said that, after all the cooperation the Americans had received from the present Government, including the present crisis, the Government of Libya received little in exchange. The Prime Minister reportedly said that he had discussed project after project with various Americans; that discussions would go on sometimes for months but nothing ever seemed to happen. Ku'bar and Buri were considered by many of their colleagues as philo-American, and even worse by other Libyans. At least they would like to feel, he said, that for such a reputation they were getting our cooperation in full measure. If this Government were unable to perform to the satisfaction of the country, it might have to resign and be replaced by another which the Americans might find much less cooperative in every way.

JWJones PMcC

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